

## **Initial budget estimates show increase in revenue, Legislature recommends funding educator assistance**

**SALT LAKE CITY** – Utah policymakers release initial revenue estimates and outline plans to dedicate significant funds to reward educators for their extraordinary service during a challenging year.

The Utah Legislature, in consensus with the Governor's Office and Tax Commission, announced the state will see a 1.5 percent increase in revenue in the current 2021 fiscal year and a 6.5 percent increase in the 2022 fiscal year.

The Executive Appropriations Committee recommends the Legislature appropriate \$121 million of this new revenue to a one-time COVID-19 educator assistance stipend for teachers and school staff who are making great sacrifices to keep schools open and educate Utah's children under challenging circumstances. Governor-elect Spencer Cox supports the Legislature's plan to provide one-time assistance to K-12 educators and staff of districts that provide in-person or a combination of in-person and virtual options. Both the Legislature and governor-elect express profound appreciation for the educators' dedication and hard work in the state.

EAC also recommends an appropriation of \$140.5 million to fund a weighted pupil unit (WPU) increase and \$95 million to fund growth and inflation in the public education base budget. These appropriations fulfill the Legislature's promise to education following voters approval of Constitutional Amendment G, and do so a year earlier than planned.

"We want to express our gratitude by monetarily rewarding educators and school staff for their extraordinary efforts, innovation and resilience in overcoming the unique and ever-changing challenges this year," said President J. Stuart Adams. "Utahns and Utah businesses' financial and physical well-being is the top priority for state lawmakers, which is why we pushed to keep the economy open while protecting individuals' health. The Legislature is committed to keeping our commitment to increase, protect and stabilize education funding, replenish contingency plans and plan for Utah's future. I firmly believe our best days are still ahead of us."

"Utah's fiscal health in these uncertain times is a testament to the care and foresight of past state leaders," said Speaker Brad Wilson. "As we make budgetary decisions on behalf of the people of the state, looking ahead and planning for challenges that may arise is our top priority. Using a portion of these funds to offer assistance to our teachers, who are providing our children the education they need under far less than ideal circumstances, is an investment in our future that will continue to pay dividends for years to come."

A significant portion of the new available revenue is a result of \$10-\$12 billion worth of federal government intervention in Utah's economy this year. Despite the one-time nature of the federal stimulus, it accounts for approximately \$450 million of the new ongoing revenue. Lawmakers plan to appropriate \$450 million of the new ongoing revenue to one-time expenses to avoid the fiscally unsound practice of funding the state's future with a massive, temporary federal outlay.

“Years of preparation, planning and saving enabled Utah to be the envy of most other states,” said Sen. Jerry Stevenson, co-chair of the EAC. “Despite COVID-19 challenges, the Legislature’s budget priorities will remain consistent – supporting and investing in public education statewide while working to protect Utah’s private and public sectors. Because of responsible policy decisions in prosperous times and setting aside revenue into savings, we are able to continue investing in Utah’s future today. We must continue to act responsibly to strengthen our economy, families and communities as we move forward during these uncertain times.”

The EAC also recommends investing in and maintaining infrastructure and replenishing reserve funds to support population increases and future demands.

“Today’s EAC recommendations take the long view and address current needs while preparing our state to weather economic storms in the future,” said Rep. Brad Last, co-chair of EAC. “We hope the Legislature’s continued prioritization of our public education system and appreciation for the people who make it work is evident in these budget decisions.”

The Legislature is committed to continuing to be fiscally responsible and focused on the long-term well-being of the state. The budget will continue to be refined during the 2021 session.

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